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Administration Proposes Selling U.S. Weather Satellites to Industry

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WASHINGTON, March 8 — The Reagan Administration announced today that it planned to sell to private industry the nation's four weather satellites and the Government's lone satellite for surveying land resources.

The plan calls for industry to operate the satellites and three ground control stations but sell the data back to the Government for further distribution and perhaps to commercial users as well. The sale would require Congressional approval. Several lawmakers expressed concern today but withheld judgment pending more details.

The move was justified by Administration officials as a potential way to reduce future budget deficits and to involve the private sector in activities that it might perform as well or better than the Federal Government.

Larry M. Speakes, a White House spokesman, said President Reagan approved the transfer because the satellites "would be better operated by the private sector."

But officials of the National Oceanic and Atmopsheric Administration, which operates the five satellites, acknowledged at a news conference that they could not be sure the transfer to private hands would actually save any

money. The move was promptly criticized or questioned by commercial and consumer groups who say they suspect that the changeover will ultimately restrict or raise the cost of weather infor-

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mation that had previously been widely available without charge.

The impetus for the sale, according to officials at the atmospheric agency, was a desire by the White House Office of Management and Budget to end the money-losing program known as Landsat, which has been developing remote sensing satellites to survey the earth for crop information, minerals, urban sprawl, pollution bands and to collect other ground data. So far only one such satellite is in operation and a second is under construction.

Sought Weather Satellites

But it quickly became clear, the officials said, that private companies had no interest in picking up Landsat alone because the market for its data was far too small to justify developing and operating the satellites.

So the sale of the weather satellites was initially conceived by industry sources as an incentive. In fact, the Communications Satellite Corporation, or Comsat, a private company, proposed that it take over Landsat and build new satellites and develop a private market for the data if the Government would also sell to Comsat the weather satellites and would subsidize the whole operation for 15 years by guaranteeing to buy both weather and earth resources data. The total guarantee, according to atmospheric agency officials, would have been about \$5 billion over 15 years.

According to some Administration officials, the concept also fit the Administration's philosophical disposition of transferring activities to the private sector. So it is conceivable, they said, that the weather satellities might be sold separately, even if the Landsat program died in the process.

John V. Byrne, administrator of the National Oceanic and Atmospheric Administration, said that private concerns would be allowed to enter separate bids on the land survey or weather satellites or a single bid for both systems. He said it was possible that some satellite manufacturers or small specialized companies might want to bid on all or parts of the package. But officials at the atmospheric agency acknowledged that Comsat appeared to be the company most interested.

Comsat is a shareholder-owned company which nevertheless has some responsibilities delegated to it by the Government in accordance with the Communications Satellite Act of 1962. The company is the United States participant in Intelsat, the multinational organization that provides international satellite communications. It is also the United States representative to the International Maritime Satellite Organization, which is establishing a global system for maritime satellite services.

Owns Comstar Satellites

Within the United States, Comsat owns the Comstar satellites that are leased to the American Telephone and Telegraph Company for telephone communications, and is the majority owner of the Marisat satellites that provide ship-to-shore communications.

Mr. Byrne said the bidding would be limited to American companies to insure that the Defense Department, which receives some of its weather information from civilian satellites, had

guaranteed access.

The likely effect of the transfer on users of weather data was not clear. Mr. Byrne said that the transfer "shouldn't make any difference" to the man in the street who depends on daily weather forecasts to tell him "whether or not he should wear a raincoat."

Not Dismantling It, He Says

He stressed that the Administration was not, at this point, "dismantling, or selling any part of, the National Weather Service," the agency which prepares daily and long-term weather forecasts that are generally supplied without charge to printed and electronic press and many other users. However, apart from the effort to sell the satellites, other possible changes related to weather service functions were

being studied.

For instance, Mr. Byrne said that atmospheric agency had contracted for a study of the weather service to determine which functions should be performed by the Federal Government and which by the private sector. The general philosophy guiding this study, he said, is that the Government should probably continue to provide the national and regional forecasts that serve the entire public, but should perhaps spin off or at least charge users for specialized data of interest to only a narrow industrial or commercial segment. As an example, he cited forecasts of frost that might affect fruit crops or other such agricultural forecasts.

The proposed transfer was criticized by a spokesman for the National Farmers Union and by Ralph Nader, the consumer advocate, who called it "a ripoff

of the American taxpayer."

Officials of atmospheric agency acknowledged that concern over the satellite sale has been expressed by scientists, who feared that weather and remote sensing research might be given short shrift by the private sector; by officials at the National Academy of Sciences and the National Academy of Public Administration; and by foreign countries, which fear the free interchange of meteorological data might be disrupted.